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Challenge!

Hispanic Housing





Excerpts from Remarks by HUD Assistant Secretaries William A. Medina and Sterling Tucker at the National Council of La Raza's Third Annual Convention, Albuquerque, New Mexico.

Mr. Medina—

“Major national housing crises exist, especially in the housing rental area: fifty-eight percent of Hispanics are renters.”

“We have to provide incentives to get developers back into the rental housing field and Hispanics have to be involved in that debate.”

“Recent HUD study shows Hispanics feel neglected in term of municipalities in which they live. At the municipal level there are not enough Hispanics working in these communities. Of those going into public administration 4 percent are Hispanics and today the percentage is even lower. This is a disturbing trend. I am working with the Department of Education on internship and training programs to encourage Hispanics to go into local government.”

“Survey at HUD showed 94 percent of Hispanics have never attended a city council meeting. Virtually that number of higher educated could not name a single local official in their own community — this is not in Washington, or the States — but where Hispanics live. . . . If there is no involvement at the local level there is no influence. It is as simple as that.”

“I hear community people saying, ‘We want to go to Washington to get the money and bring it back into our communities.’ Terrific, I’ll give you Geno Baroni’s address and you can write him and you and 22,000 other community groups can bid on his 15 million dollars and if you’re lucky you’ll get a \$15,000-\$20,000 grant.”

“However, if you go down the street to city hall you’ll find the unspent Community Development Block Grant (CDBG) funds.”

“I spoke to a group of black community activists. In the city of Chicago, there is a million dollars of unspent money.”

“You have to decide whether to work with the city or come to Washington for increasingly small amounts of discretionary funds because that’s the way the funding formula works — they go down through the city and county government levels. It means you have to develop a working relationship with them because they have the money.”

“In the first 4 years of the CDBG program, the amount of money actually spent in Houston was 54 percent, Corpus Christi, 59 percent, Dallas, 61 percent, El Paso, 62 percent, and San Antonio, 68 percent. The national average is around 70 percent.”

“If you can remember any of what I have said here today, remember this: The CDBG Program is being reauthorized again this year for another 3 years. Four billion dollars a year go into this Program. . . . into your community. Go after that money. The real action in the 1980’s is very much at the local level.”

Mr. Tucker—

“The challenge of 1980 is to build on the activism of the 60’s and reflection of the 70’s.”

“This can’t be done with individual black groups going in different directions and Hispanics going alone.”

“We need a new kind of tool. It means new kinds of coalitions, new kinds of relationships, new kinds of sharing.”

“Even if we form a coalition it will be like the ants and the elephant: the ants got organized and thought by sheer numbers they could kill the elephant.”

“We need more than numbers: we need skills and resources.”

“Martin Luther King talked about organizing all the poor of the Nation — from different backgrounds.”

“Today’s challenge is to organize poor and nonpoor — we know now discrimination does not relate only to economics. This effort of a coalition of interests and leadership to move forward is very significant.”

“It is like the story of the people being oppressed by the king. They had to fight for the crumbs in the courtyard with the dogs after the meal had been held in the castle dining room. Each night after the evening meal, they waited and would race to the courtyard and fight for the crumbs. They decided they were not going to suffer that indignity any longer — to have to fight with the dogs for the crumbs from the king’s table. They got courage and mobilized and marched on the castle to make their demands and eat at the king’s table when one of the king’s men announced: ‘The king’s dogs are dead.’ Then they fled to the courtyard to fight with each other for the crumbs.”

“There is a great lesson here for us: we’ve been fighting each other all this time for the crumbs. Competing for the same jobs — Hispanic jobs, black jobs, but most jobs are still white jobs. We’re fighting each other for the crumbs from the king’s table.”

“We cannot let people divide us.”

“We can prevail if we unite in our efforts. So in my public and private life anyway I can become part of this effort. . . . I want to join it.”

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Cover Photo: Villa Del Sol, Brownville,
Texas

Hispanic Concerns – Housing and Community Development



This month's issue of *Challenge!* focuses on the housing and community development issues faced by the Hispanic community. The articles explore the problems as well as solutions being implemented in these areas.

Although much work remains to be done, HUD has made significant efforts in assisting Hispanic Americans in meeting the challenges of locating and developing adequate and affordable housing, as well as improving their neighborhoods and communities. For example, we are collecting housing data on Hispanics, as we do for other minorities, in order to monitor and compare changes in annual housing conditions. We have provided Hispanic organizations with technical assistance in order to build and improve the capacity for self-help in housing and community development. Perhaps most

important, this Department has been developing an understanding of and has become sensitive to the special needs of our Hispanic citizens.

Throughout the 1980's we at HUD will face new challenges, such as energy, the environment, and the role of minority business enterprise. We also remain dedicated to resolving our older and more basic challenges of improving daily living conditions among low- and moderate-income Americans.

The articles which follow focus on these challenges, both old and new, as faced by Hispanics. You will find them provocative and enlightening.

*Victor Marrero
Under Secretary
U.S. Department of Housing and Urban
Development*



Hispanics Gain Voice in Fair Housing Struggle

South Bronx residents

by The Honorable Robert Garcia

Congress has long recognized the need for fair housing legislation. The 1968 Civil Rights Act included a provision which emphasized the legal requirement of equal opportunity in housing. Title VIII, as the Federal Fair Housing Act is known, was, therefore, an attempt to remedy the dismal situation which then existed in housing.

Since passage of this Act, however, there has been little significant change in the unfair practices in the sale and rental of housing that occurs in our inner-cities. The hoped-for results have failed to materialize.

Thus, during the 12 years of the existence of a national fair housing law, the situation has remained bad. Discrimination is still widespread, especially for the low-income residents who live in the economically depressed inner-cities. For many people in these areas the search for adequate housing is a

The author is a member of the U.S. House of Representatives from the South Bronx and was formerly Minority Leader of the New York State Senate.



Los Sures, Southside, Brooklyn, N.Y.

daily ritual in which satisfaction remains a hopeless effort.

Improved regulation and better investigation capability are needed to produce beneficial changes in the system. With Title VIII we have the tool to improve the situation. Now, after 12 years, with the passage by The House of amendments to Title VIII which will put teeth into the enforcement of that Act, the time is ripe to put this tool to use.

After more than a decade of stagnation it is obvious that for housing change to be initiated it must come from the leaders of the inner-cities. Those with a strong voice who are aware of and sympathetic to the needs of the minorities and their housing problems are the ones who must express deep concern over this prolonged situation.

We must stand up and be heard, for without our influential voices speaking out change will not occur. Regardless of Title VIII, the conditions that exist in

these poverty stricken areas will remain.

As the Representative in the U.S. Congress of the South Bronx in New York, I have seen first-hand the failures resulting from lack of enforcement of the Federal Fair Housing Act and other measures designed to expand our Nation's inner-city housing stock. In my district there are countless abandoned buildings whose only purpose seems to be to satisfy the criminal habits of the arsonists and vandals. And, at the same time, the homeless wander the neighborhood in the shadows of these useless structures searching for shelter.

This nightmare is not unique to the South Bronx, of course. Within the economically distressed areas of many cities one finds a shortage of livable housing and an abundance of minority residents. Because of the depressing dominance of this situation, I believe there is an urgent need for Hispanics and blacks to unite and coordinate their efforts

for more decent housing. As allies, these two groups can, together, bring the change for which they have separately worked so diligently.

In this united spirit I have pursued housing equality. As one of the few Hispanic voting members of Congress and as a member of the Housing and Community Development Subcommittee in the House, I truly feel that I am in a position to make a difference.

Recently I introduced before the House Banking, Finance, and Urban Affairs Committee a proposal to establish an Office of the Assistant for Hispanic Affairs within HUD. The committee heavily supported the proposal which will help relieve the underrepresentation of Hispanic interests within the Department. I consider this a great achievement for Hispanics, who are often discriminated against with no opportunity to voice their objections. No longer will the voices that ring out for equality in housing continue

to go unheard. Hopefully, millions of Hispanics along with other minorities will be able to reap the benefits of adequate housing in a safe neighborhood.

Another positive accomplishment for Hispanics which occurred recently was the naming of Ms. Eva Guevara Erb as Hispanic Special Assistant in the Office of Fair Housing and Equal Opportunity at HUD. She brings a wide range of experience to this position, along with a deep concern for Hispanic affairs. Through her work in local community organizations and as Executive Director of the Council of Hispanic Groups, Ms. Guevara has been a dedicated and hard-working individual. I expect much success from her in this position.

But these accomplishments are not the end of the line. The housing problem for Hispanics and others cannot be solved by a few steps in the right direction. Establishing fair housing for all will require a major effort, precisely because

it will be a long struggle. Many more steps must be made even to begin to approach the finish line. But I, along with other minority leaders, must be dedicated to finishing the race.

Understanding the Law

One of the next steps must be to teach those being discriminated against exactly what the law is. Often it is up to the victim of discrimination to report the unlawful activity. But many victims do not even understand their own rights, much less the violations committed against them. I strongly agree with Ms. Guevara's statement that "We can't give our people Spanish language HUD pamphlets on where to file a discrimination complaint when they don't even know how to detect discrimination."

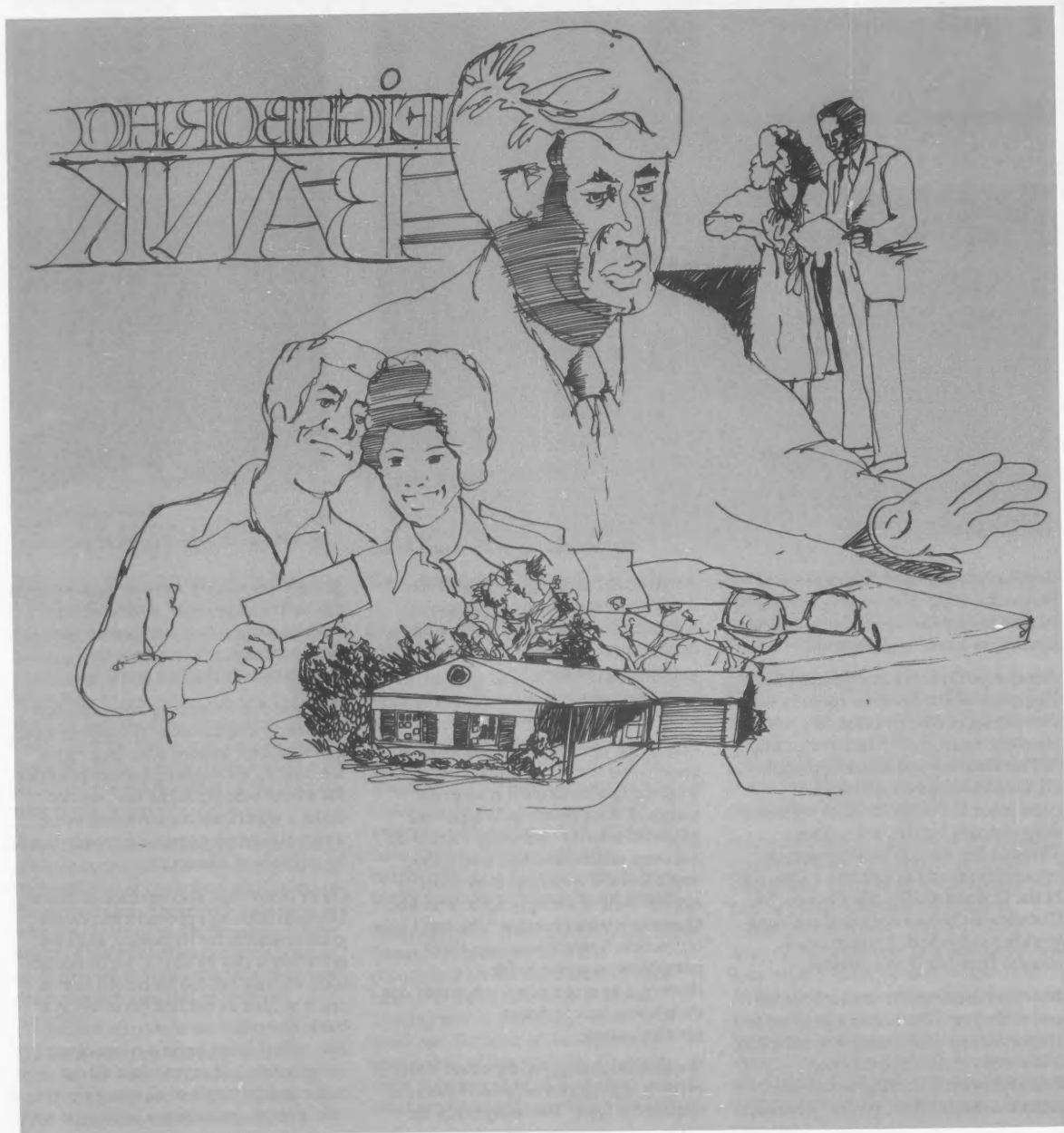
We also must improve the enforcement of existing regulations to force violators to respect the laws. Too many times the

penalty amounts to no more than a slap on the wrist and provides no deterrent to discrimination. Let's get serious with these violators who continue to discriminate in the face of the law.

I believe that by making discrimination laws more enforceable, by teaching those discriminated against what their rights are, and by establishing harsher penalties for those who break the law, we can make a significant improvement in the unequal housing situation currently faced by millions of Hispanics.

Other plans must also be made of course. Unequal housing opportunities present giant obstacles for Hispanics, and they grow larger day by day. If we do not act soon we may fall too far behind ever to catch up. Let us not find ourselves in a battle that offers no chance for victory but, rather, let us begin our comeback immediately and never relent till our battle and the battle of all minorities for safe, decent, and sanitary housing is won.





Hispanic Savings and Loan Associations – Partners in Community Growth

by Percy Duran and Isaac D. Olivares

Providing a decent home to a family is more than simply giving shelter. It's building a community – a community that has stability and pride in its appearance. Too often, however, Hispanic homes and communities reflect a less attractive image. What can be done? How can more capital be brought into our communities?

The Federal Home Loan Bank Board is working on this challenge through its Minority Association Development Divisions (MADD). MADD works to strengthen the front lines of the financial community – Hispanic Savings and Loan Associations – that serve our neighborhoods. These minority associations, which are developing and maturing like the other institutions in our community, provide a substantial part of the mortgage money in our areas. But just as a family must find the money to purchase or remodel a home, so too must a Hispanic Savings and Loan Association find the money to lend out.

Increasing Capitalization

One initiative to boost the financial base of minority savings and loan associations is a plan to create a \$25 million "pool" that would provide additional capital for minority associations. This "pool" would be a Small Business Investment Corporation (SBIC) operated by the Federal Home Loan District banks. The SBIC would boost Hispanic and other minority associations by providing loans to enhance their growth and profitability.

This SBIC money would be used to assist in the financing of additional branch offices, to train management personnel and/or to expand mortgage lending activities. In other words, SBIC resources would be spent on specific needs of individual associations, with the Federal Home Loan banks closely supervising how the funds are used. The 12 banks would be the controlling stockholders of the investment company and would be responsible for electing its directors and appointing its management.

Building Experience

However, no amount of money to build the strength of associations is sufficient if the associations are not managed properly. We've found, for example, that Hispanic associations are subject to high overhead and operating costs – much higher than for the industry as a whole. Why? Largely because of inexperience as well as poor locations and high activity on small accounts (frequent dispositive and withdrawals on savings accounts). Coping with these special problems is a hard task for a community that has opened most of its associations in the last decade alone.

Much of MADD's effort, then, is concentrated on advising associations how to cope with their special problems. One of our concerns at MADD is to encourage the creation of new minority associations. But equally important is how new associations are formed. There's been perhaps too much emphasis on creating associations without thinking of their long-term prospects for survival and growth. Many of our associations have targeted only the Hispanic areas as their market area. However, the Hispanic community may represent only a fraction of the potential market area. Certainly we want to serve and appeal to the Hispanic community, but sometimes our S&L's may be limiting their potential service area. That's why we're looking at how Hispanic associations can serve both the Hispanic and non-Hispanic communities.

New and Growing Markets

Prior to 1972, there were only two Hispanic savings and loan associations in the country, Dona Ana Savings in Las Cruces, New Mexico, and Ponce de Leon Federal Savings in the Bronx, New York. Since 1972, 28 new Hispanic associations have opened their doors to serve the Hispanic community, including eight in Texas and seven in California.

Today, 30 Hispanic associations provide the growing Hispanic population with the

services needed to encourage thrift and homeownership. As of May 31, 1980, the 30 Hispanic savings and loans had total assets of \$591 million, with mortgages outstanding of \$476 million and savings deposits of \$485 million.

1980's and Beyond

The projections are that a major housing boom will occur in the 1980's as a new generation of home buyers comes into the market in the 80's, also known as the "Decade of the Hispanics." A major concern of the 1980's will be the problem of housing affordability. It's projected, for example, that only about 15 percent of potential buyers can afford the median priced new house with a 25-year mortgage. This figure compares with the 30 percent that would have qualified just 10 years ago. This decline reflects a tight money market and sky-rocketing price pattern for housing. Hispanics, who are on the lower end of the socioeconomic ladder in this country, will be adversely affected by this trend.

So, it is particularly encouraging that there are associations such as Magic Valley Savings and Loan Association, whose president Juan Medina also serves as president of the American Savings and Loan League. Medina's method may become a model as personal, one-to-one service becomes increasingly important in a tight market. Medina, whose Weslaco, Texas, headquartered association now has about \$28 million in assets, says he deals with these unpleasant facts honestly and directly. "We tell people up front what the costs are going to be. We lay it out and show them what the payments will be, what the interest will be over the period of the loan and what their rights and responsibilities are," Medina says. Moreover, he says, "We tell them about our rights and responsibilities. We also give them the most complete information about the loan and about our services to help them in their quest for homeownership."

Medina is one of a new breed of executives in the savings and loan industry. And he's

more of a maverick than many in the industry. For example, 75 percent of his business is done with Mexican-Americans who are largely in lower-income categories. "We want to do this, though," Medina says, "because if we don't serve these people's need for home loans, they'll be locked out of the housing market. At the same time, of course, we need to 'turn a profit' to stay in business."

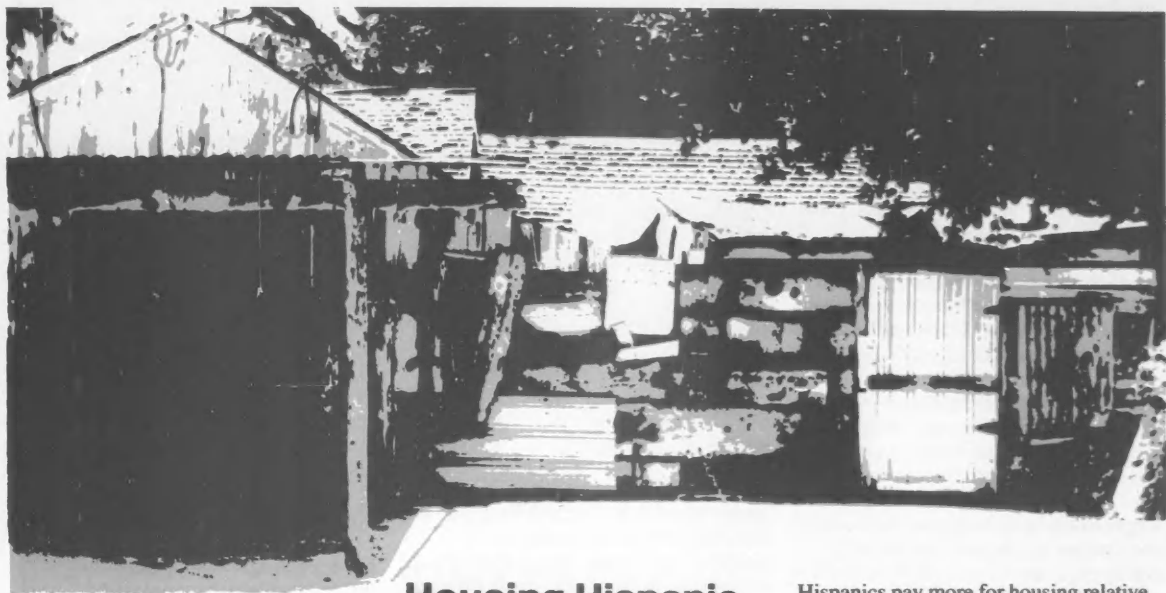
That sums up strongly the mission of Hispanic savings and loan associations to meet the housing mortgage needs of Hispanics — to respond to a community that is often ignored and to do it on a sound business basis.

Federal Home Loan Bank Board Minority Association Development Division Hispanic Savings & Loan Associations June 30, 1980

Americana Federal Savings and Loan—Chicago, Ill.
Camino Real Savings and Loan—San Fernando, Calif.
Chula Vista Federal Savings and Loan—Chula Vista, Calif.
Community Federal Savings & Loan—Bridgeport, Conn.
Coronado Federal Savings and Loan—Kansas City, Kans.
Coronado Savings and Loan—Albuquerque, New Mex.
De Vargas Savings and Loan—Santa Fe, New Mex.
Dona Ana Savings and Loan—Las Cruces, New Mex.
El Centro Federal Savings and Loan—Dallas, Tex.
Hacienda Federal Savings and Loan—Oxnard, Calif.
Interamerican Federal Savings and Loan—Miami, Fla.
Jefferson Savings and Loan—McAllen, Tex.
Magic Valley Savings and Loan—Weslaco, Tex.
Mission Savings Association—El Paso, Tex.

Mission Federal Savings and Loan—San Antonio, Tex.
Montebello Federal Savings and Loan—Montebello, Calif.
Oakland Federal Savings and Loan—Oakland, Calif.
Otero Savings and Loan—Alamogordo, New Mex.
Padre Federal Savings and Loan—Corpus Christi, Tex.
Pan America Federal Savings and Loan—Tucson, Ariz.
Pan American Federal Savings and Loan—San Francisco, Calif.
Pan American Savings and Loan—El Paso, Tex.
Ponce de Leon Federal Savings and Loan—Bronx, N.Y.
Presidio Savings and Loan—Porterville, Calif.
Sierra Federal Savings and Loan—Denver, Colo.
Silver City Savings and Loan—Silver City, New Mex.
Sun Country Savings and Loan—Las Cruces, New Mex.
Tesoro Savings and Loan—Laredo, Tex.
Union Federal Savings and Loan—Miami, Fla.
Valley First Federal Savings and Loan—El Centro, Calif.

Messrs. Duran and Olivares are the Director and Deputy Director, respectively, of the Minority Association Development Division of the Office of Industry Development, Federal Home Loan Bank Board. Mr. Duran is also President of the Hispanic Bar Association of the Washington Metropolitan Area.



Housing Hispanic Elderly: A Profile of the Lower Rio Grande Valley

by Julianne Radosevich

The elderly in the U.S. experience similar needs for shelter and face such prospects as failing health, isolation, rising inflation, and energy costs on their fixed incomes. The burden, however, varies in extent. Among Hispanic elderly, the need is overwhelming because adversities encountered over the years continue to influence their lives.

The Department of Housing and Urban Development has compiled demographic characteristics as well as income and housing costs among those economic factors affecting the housing of Hispanics. Maintenance and heating flaws are most often identified as contributing to the inadequacy of a home.

Hispanics pay more for housing relative to their incomes than Americans in general and tend to live in older housing. Particularly hard hit are elderly Hispanic males who have a more than fifty-fifty chance of being inadequately housed. Elderly Hispanic females living alone fare better with somewhat less than a 20 percent chance.

Housing Conditions Among Hispanic Elderly

Nationwide, almost 20 percent of Hispanic housing is characterized by flaws in plumbing, wiring, and maintenance. In Texas, 21.1 percent of Hispanic households live in substandard dwellings, as compared to 9.5 percent for the general population. Statewide, 14.7 percent of all elderly households are in substandard units. Over four percent of this statewide proportion is located in the Lower Rio Grande Valley: the three counties that are the southernmost tip of Texas. Housing stock in the region is categorized as standard or substandard. Because the standard of living in a community varies, formal definitions of

substandard will vary. In the Valley, standard housing is that which is appropriate for the dweller and needs no major repair. Substandard refers to housing which does not meet local codes, needs structural improvements, the addition of plumbing or electricity, or is dilapidated beyond repair. In the Valley, 72.7 percent of the units are standard, and 27.3 percent are substandard.

The U.S. Census reports the population of the Valley as 337,473, with 78 percent Spanish-surnamed. Of the 39,499 people 60 years of age and older, 52.5 percent are of Hispanic origin. Some of this elderly population are descendants of Mexicans living in the region at the time of the Treaty of Guadalupe Hidalgo which established the Rio Grande as the southern boundary. Many crossed the border freely in their younger days until immigration regulations were more strictly enforced.

A number of elderly have come in recent years to join family and friends. *Colonias* became and continue to be their home. These are communities which came about as farm labor settlements, as townsites started by realtors in the early 1900's, or as subdivisions in which small lots, often near employment, could be bought or rented at affordable prices. Usually, the buyer constructed his own home from any immediately available materials. Many have remained in housing similar to that in which they lived in earlier days — makeshift, substandard, and at best, inadequate to their needs. The photograph depicts a scene characteristic of many situations in the Valley's more than 100 *colonias*, rural areas, and small towns. Often there is more than one structure on the lot, as well as an outhouse or pit privy. The building in the foreground serves as the sleeping quarters, while that in the background is used as the kitchen and bathroom. There are no screens for the windows, and parts of the wall, floor, and ceiling are missing.

Tradition

It is incorrect to assume that these people, or any living in such conditions, are not ill housed or that they would not want to improve their dwelling, if able. There are many social as well as economic factors, however, affecting their ability.

Culturally, the Hispanic elderly of the Valley are tied strongly to traditions of religion and the family. God controls events. One must fulfill his role in his place and not attempt to alter God's plan. If one's lot is to live thus, he will accept it.

The bond of kinship extends beyond generations. However, in some cases, aging parents are forced to turn over their property to their children out of economic necessity. They cannot maintain it, or perhaps ownership inhibits their eligibility for public assistance. The children in turn look after their parents in the parents' home. With other elderly, a married child takes over the house, and parents move to a structure on or near the same property. In some instances an elderly man living alone may be left to fend for himself because, although failing, he is still the head of the family, to be respected and obeyed, not to be insulted with charity. An elderly woman may be better provided for by children or neighbors. If she is left alone, she may be more willing to seek public assistance, or to live with an unmarried daughter.

Urban/Renewal Studies

Two studies on rural and urban elderly in the region conducted by Amigos Del Valle, Inc., Programs for Older Americans show similar responses on inadequacy of housing for both rural and urban residents. However, interpretation requires talking with surveyors who conducted the personal interviews. Among rural elderly, many who appear to be in need of housing assistance of whatever type are reluctant to seek or accept it. Some say, "Let others who need help take it. I'm grateful for what I

have." Results show that rural elderly residents do not know where to turn for help. Urban elderly also are unaware of assistance, but more often believe that other aid they receive would be reduced. Urban elderly are discouraged from prior rejections and fearful that agency personnel will exploit them.

The economic factors of income and costs affecting housing conditions for all elderly are issues of special concern to the Hispanic elderly. It has been shown that employment bears on a family's ability to maintain the home. The majority of Hispanic elderly in the Valley have been agricultural laborers all of their working lives. Agricultural work is seasonal and many of these elderly do not have a history of steady income. Employment is open to elderly, however, they must possess the appropriate skill and experience. For those whose life's work has been in agricultural labor, there is little opportunity for employment earnings after age 55. They must rely on income maintenance programs, primarily Social Security and Supplemental Security Income, and nonfinancial assistance from public and nonprofit service agencies.

Of those wishing to upgrade their present living conditions, alternatives are to renovate or to rent. These choices are limited by costs and the availability of appropriate housing. Homeowners constitute the majority of Hispanic elderly surveyed by Amigos Del Valle. Ninety percent of them said that they wished to remain in their own homes and make repairs, if needed. Those elderly who seek assistance from commercial lending institutions to rehabilitate their homes face rejection on the grounds of their ability to repay the debt. A widely used alternative is to seek a loan from a prosperous community resident for which the elderly borrower must put up some personal possession as collateral. Loan funds such as those available through Farmers Home Administration are less



Kitchen and bathroom, Amigos Del Valle

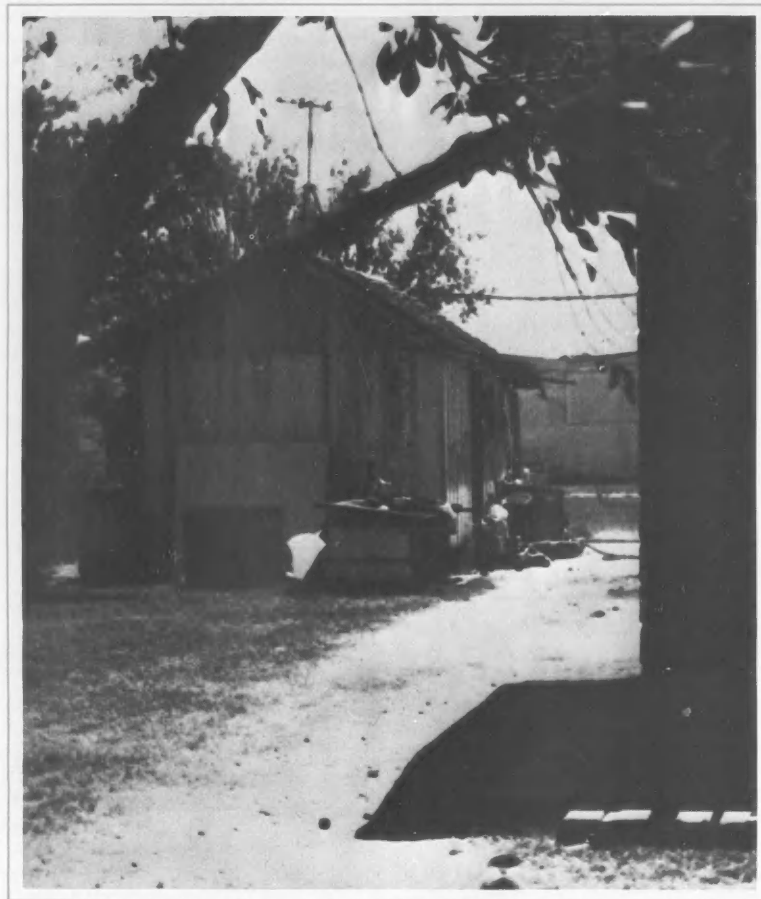
utilized than grant programs because of the burden of payments for elderly persons. The amount of grant funds available is not sufficient to meet the need.

In many cases, small communities and *colonias* cannot support development of new construction rental housing. And rent subsidies are not always available to assure occupancy of units built by investors.

Attention to welfare and impoverished conditions as they relate to housing families has not been a consistent or historic public priority in the region. In the 1970's neighborhood revitalization, civic improvements, repair and expansion of roads, water and sewer systems came to the Valley through community development and housing programs of HUD, as well as through housing and rural programs of Farmers Home Administration, thus paving the way for development of housing for low-income families and the elderly. Coordination of housing development within and among communities is evolving, if slowly. The inadequacy of public works, streets, water and sewerage to support new development is being addressed by the communities. The issue of housing needs for low-income and elderly residents is being addressed by private nonprofit agencies.

Nonprofit Assistance

Often residents have limited knowledge of how to assess their own housing needs. Adequate family financial resources are lacking as is an awareness of sources of assistance. Four nonprofit organizations are addressing these issues. Amigos Unidos Credit Union is community based and operated. The agency makes loans for home improvements. One-quarter of loan recipients are low-income elderly. Tri-County Housing Corporation operated a housing repair program coordinating Farmers Home Administration loan and grant programs with funds from Rural



Amigos Del Valle, Inc.

America for labor. Currently, Tri-County packages applications for FmHA Self-Help Housing and provides technical assistance to low-income elderly for loan applications. Colonias Del Valle, a private nonprofit agency has the purpose of solving community wide problems in the *colonias* such as water, sewer, drainage, and housing. The agency operates a program to repair and weatherize homes. Elderly and handicapped receive priority and represent more than one-half of the homes. The housing staff packages loan and grant applications to FmHA on behalf of elderly and low-income residents. Labor is provided at no cost to the homeowner for what are often substantial rehabilitation and major renovation.

Amigos Del Valle, Inc., Programs for Older Americans, has recognized that housing represents more than an investment, more than shelter to an elderly individual. The home is security, the extension of its owner, dignity itself. Amigos Del Valle's mission, in a broad sense, is to promote that dignity in a home environment and preclude unnecessary institutionalization.

The agency conducted a skills training program in plumbing and cabinetmaking which grew into a construction project. Amigos Del Valle has been able to repair and weatherize homes for 100 elderly. Recognizing the need for affordable rental housing appropriate to the needs of elderly, Amigos Del Valle designed and developed 100 units of housing for elderly under HUD's Section 202 Program for elderly housing. Casa De Amigos, located in Brownsville, is currently under construction.

In an effort to preserve the familiar home environment for elderly, Amigos Del Valle proposed a self-help housing repair program jointly with the City of San Benito. The Community Development Block Grant Program (CDBG) as administered in San Benito provides

funds for elderly home owners to repair their homes. However, the maximum dollar amount allowable is not always sufficient to cover costs of both labor and materials. Amigos Del Valle has developed a project to pool resources from the Community Development Program for materials and the Neighborhood Self-Help Development Program of HUD for labor. This strategy allows the entire CDBG grant amount to be applied to materials for renovation so more extensive rehabilitation can be performed if needed. The project is designed to extend beyond first year Federal funding and become a self-sustaining activity for neighborhood revitalization and aid to elderly residents.

The diligent attention of the private nonprofit agencies reflects the genuine interest in addressing the need of housing the elderly in the Valley. The organizations have promoted an awareness of housing conditions for Hispanic elderly and advocated the rehabilitation and new construction. A housing strategy is evolving because of the awareness of the requirements in planning for the needs of today's elderly and the next generation of aged who will undoubtedly have different lifestyles and expectations about their aging years.

Ms. Radosevich is a planner with Amigos Del Valle, Inc., Programs for Older Americans. The agency is based in McAllen, Texas.



One-room sleeping quarters, Amigos Del Valle



Industrial Park Brings New Economic Hope to East Los Angeles

by John Echeveste

A lot of eyebrows were skeptically raised in 1977 when the East Los Angeles Community Union (TELACU) announced a bold and costly plan to purchase a dormant tire plant in its community and transform it into a modern \$40 million industrial complex employing some 2,000 workers.

In less than 3 years' time, TELACU has made true believers of those same skeptics as it has delivered on all its promises. The TELACU Industrial Park (TIP) today serves as headquarters for three major corporations, employs nearly 300 people and is 2 years ahead of its construction schedule. And just recently, documents were signed to begin construction of the final manufacturing buildings, already leased to a company that will employ 600 workers.

"More than anything else, TELACU Industrial Park is testimony to the ability of the local community to work hand-in-hand with governmental agencies and the private sector for the economic betterment of their community," said David C. Lizarraga, TELACU president. "This is a viable economic development that makes good business sense to the companies leasing space from us and good sense to our community by bringing in new jobs and economic growth."

History

The story of TIP's development actually dates back to 1927 when the B.F. Goodrich Company opened a 48-acre tire



TELACU Industrial Park



manufacturing plant in the City of Commerce on the East Los Angeles border. One of several tire plants in the area, Goodrich employed 2,000 workers at the height of production.

When Goodrich closed its gates in 1975, the workers joined the ranks of the community's already staggering 18 percent unemployment rate. Even worse, the vacant plant stood like a white elephant in the community, symbolizing the rampant economic decay that had gripped the area.

TELACU purchased the property for \$5 million in August 1977 after 18 months of intense negotiations. The land purchase was arranged through loans of \$4 million from Crocker National Bank and \$1 million from the Ford Foundation. A grant for \$3.6 million from the Economic Development Administration covers the costs of demolition, site clearance, off site improvements and the construction of 90,000 square feet of manufacturing space for small businesses. Another \$750,000 was provided by the Community Services Administration to assist in payment of land loan interest costs. All remaining construction costs for buildings in excess of 200,000 square feet are privately financed.

TELACU immediately set out to work with demolition activities, which took almost a year and a half to complete. Concurrently, renovation work began on



TELACU Industrial Park

an existing Goodrich building of 175,000 square feet. One year to the day after officially assuming title to the property, the building was complete and occupied by the park's first tenant, Aaron Brothers Art Marts. Aaron Brothers operates 50 art stores in California and the Southwest and relocated its warehouse, distribution and light assembly operations to the park. It is now in the process of relocating its corporate offices into the building, which will increase its staff size from 100 to approximately 160.

The first newly constructed building was completed in September 1978 and occupied by the Federated Group and Aqua-Pet Industries. The 130,000 square foot building serves as corporate headquarters for both companies. Federated operates a chain of 11 retail audio-stereo stores, while Aqua Pet manufactures and distributes aquariums and supplies.

Construction was planned to begin in August (as *Challenge!* was going to press) on the final manufacturing buildings of 235,000 and 270,000 square feet. These two structures have been leased to the Stationers Corp., a major Los Angeles-based company involved in commercial-financial printing and office furniture distribution. Stationers will initially employ 360 workers and reach an employment level of 600 when fully operational.

Financing for the new buildings comes from Wells Fargo Bank with \$7 million

and HUD's Urban Development Action Grant (UDAG) program (\$3.6 million). Completion is expected in early 1981.

The new buildings will be made of tilt-up concrete in a Spanish motif in harmony with existing buildings in the park. They will front on Avenida Esteban Torres, a newly-constructed road named in honor of TELACU's first executive director. A decorative wrought iron and brick fence surrounds the entire park.

Tenants are now moving into 90,000 square feet of incubator units, also available. These buildings, as small as 2,500 square feet, are specially designed for small businesses.

The final construction phase of the development will be a five-story commercial/resource center on the northwest corner of the property. Starting date is planned for late 1980, with one-year construction time.

The entire park is located in an esthetically controlled and high security atmosphere with railroad service. It is bounded by Goodrich Blvd., Union Pacific Ave., Olympic Blvd. and the rail lines of Union Pacific, and within one mile of the Los Angeles freeway system.

TIP is administered by its president, Gustavo Paladines and Bill Reid, executive vice president.

Lizarraga noted that the park has also helped spark new construction in the area as hoped. A new four-screen theatre

complex, restaurants, and retail shopping center are now under construction just north of the park.

"Besides bringing new jobs and businesses into our community, the park has come to represent the new feeling of economic hope that is alive in our community," Lizarraga said. "We now believe that we are on the road to economic recovery, and TELACU Industrial park is only the first step in that long journey."

Mr. Echeveste is Director of Communications for the East Los Angeles Community Union.



The Role of Hispanics in Public Housing

by Perfecto Villarreal

The impact of economics on the Hispanic quest for housing is severe. Of the 2.5 million Hispanic families in the United States, approximately 60 percent live in some form of rental housing. The limited and usually inaccurate data available indicate that, at a minimum, 10 percent of all Hispanic renters live in either public or subsidized housing. Generally, Hispanics are heavily concentrated in neighborhoods considered as low income or "barrios," as they have come to be known. A good example is New York City where 85 percent of Puerto Ricans live in low-income areas.

Forced into inner-city housing as a result of low- and limited income, the Hispanic family is usually faced with the additional problem of having its necessary housing management services administered by non-Hispanics and persons who are not aware of its special needs and concerns. In the United States today there are very few Hispanic professional firms available to specifically service Hispanic housing needs. According to data from the United States Bureau of the Census - Minority-Owned Business, Spanish Origin, 1975 - there are only 1,800 Hispanic-owned firms that can be classified as real estate agents and managers. The magnitude of inadequately servicing the housing needs of Hispanics is brought into sharper focus when we consider that only 130 of the

Taino Towers, public housing in East Harlem, home of many Hispanics.



Public Housing - Brownsville, Tex.

Hispanic mural on public housing in East Los Angeles, Calif.



1,800 Hispanic-owned firms are large enough to have any paid employees. The average number of paid employees for the 130 firms is three. The remaining 1,670 firms have no paid employees.

Moreover, the number of Hispanic individuals who are employed in housing management positions is even smaller; less than 10 percent, according to Census data. Additional Census data reveal that Hispanics are less likely to be working as managers and administrators than were persons in the overall population. Hispanics are more likely to be working as operatives, for example, sanitation workers, maintenance employees, janitors, and other such jobs.

Management Training Sought

One effort to increase the number of

Hispanics in managerial positions in the public housing field was a HUD grant to the National Center for Housing Management in 1977. One of the primary objectives of that grant was to establish a career development program which would provide training for Hispanics in housing management.

A total of 66 nonmanagerial Hispanics were selected to participate in the pilot testing of the Hispanic Housing Management Career Development Program. Each trainee received 6 days of classroom training, which was presented in two 3-day seminars, and was assigned two guided work experiences. The objective of the guided work experiences was to provide trainees with an opportunity to perform housing management tasks and receive feedback

on the performance of these tasks.

Resistance Noted

Some problems were encountered during the implementation of the Hispanic Housing Management Career Development Program. Despite support from the NAHRO Board of Governors, the National Hispanic Housing Coalition, and HUD, as well as NCHM, there was encountered an unwillingness or a lack of commitment and cooperation on the part of many public housing authorities to participate. Many of these public housing authorities said they saw little value in the program. Therefore, these housing authorities were unwilling to permit nonmanagerial Hispanic staff to participate in the Hispanic Housing Management Career Development Program.

The prevalence of this type of attitude among some public housing authorities unfairly frustrates the career development aspirations of many nonmanagerial Hispanics. This is especially unfortunate since a career development program is of vital importance in offering Hispanics the knowledge, training, and opportunities needed to climb the career ladder of public housing management.

There are other compelling reasons for involving Hispanics in the management of public housing units. Consider the following data:

- According to figures of March 1976, there are approximately 20 million Hispanics living in the United States.
- Hispanics now represent the second largest minority in the United States — 10 percent of the total population. It is estimated that by 1985 Hispanics will become the Nation's largest minority group.
- Hispanics are more urban than the national population as a whole. Nearly 88 percent live in urban areas, with 51 percent residing in inner cities.
- The rate of substandard housing for

Hispanics is 29.2 percent compared to 12.9 percent for the rest of the Nation.

As the population of Hispanics steadily increases in this country, especially in urban areas, there needs to be a corresponding increase in opportunities for Hispanics to rise to positions in public housing authorities where they may address and impact on the quality of life of Hispanics living in public housing developments.

A key contribution which Hispanic housing managers can make is their ability to understand the cultural and environmental characteristics of Hispanic communities. Since most Hispanic managers share a common cultural background with Hispanic public housing residents, they know how to deal sensitively with potentially volatile situations. They are able to communicate in Spanish and initiate ongoing relationships with otherwise unreachable residents. By establishing these communication linkages to the Hispanic community, Hispanic housing managers can channel Hispanic pride and self-respect into improved maintenance of housing developments as well as draw Hispanic residents into management. This can be done by:

- maintaining liaison with community groups, businesses, and resources;
- demonstrating sensitivity to resident needs, problems, and unique circumstances; and,
- keeping resident and management communication lines open.

There remains much unfinished work in order to improve the delivery of management services to Hispanic residents and to provide career development opportunities in the public housing field for Hispanics. Many housing authorities which serve substantial Hispanic resident populations do not have Hispanics in key managerial positions. Therefore, as public housing enters the

1980's — the decade of the Hispanics, as a popular advertisement proclaims — the following recommendations are made with the strong urging that they be quickly implemented.

- HUD should more actively encourage provision of training opportunities and career development programs for Hispanics by public housing agencies.
- HUD should provide funds for subsidizing career-development training for Hispanics in public housing. Without some subsidy, public housing authorities are reluctant to expend funds for upward mobility efforts for Hispanics.
- HUD should fund a national Hispanic organization to continue the delivery of career development and training products developed by the National Center for Housing Management and to serve as a national advocate for the adoption of career development programs for Hispanics in public housing.

As Richard Martinez, Director of Community Services for the San Antonio, Texas Housing Authority, recently stated:

"As Hispanics, understanding our past and being proud of our heritage is important, but it is not enough. The challenge of reshaping the realities we are currently facing in housing, education, and employment requires more than just pride. Technology, training, and career opportunities must be combined with pride to create a new breed of Hispanic professionals capable of improving the quality of life for themselves, their families, and their people."

Mr. Villarreal is Assistant Director for Tenant Services, San Diego (Calif.) Housing Commission. He was formerly Executive Director of the San Antonio, Texas, Housing Authority, a Senior Associate at the National Center for Housing Management and is currently also serving as Vice Chairman of the Board of Directors of the National Hispanic Housing Coalition.

The National Hispanic Housing Coalition – A Unique Experiment

by Jose Garza, Marcella Kogan and Mary Jo Kaplan

Hispanic Americans represent a highly varied ethnic group including Mexican-Americans (Chicanos), Puerto Ricans, Cuban-Americans, and South and Central Americans. The latest official estimates show the Hispanic count at about 12 million, approximately 6-8 million undocumented workers scattered throughout the Nation and an additional 3.3 million Puerto Ricans living in the Commonwealth of Puerto Rico. Hispanic Americans, the fastest growing and most ethnically diverse minority group in the United States, are, next to American Indians, the most poorly housed. Though housing is a universal issue, Hispanic Americans are especially affected because of their particular characteristics. Statistical information concerning education, income, geographic distribution and housing conditions will provide evidence of the particular housing needs of Hispanic Americans.

Employment and income are largely dependent on the level of education reached by the head of the household. The Hispanic population as a group completes only 9½ years of school compared to 12 years for other Americans. Only 7 percent of all Hispanics have completed 4 years of college, compared to 16 percent of the overall population. More than one and a half times as many Hispanic workers, compared to the national rate, are unemployed (8.2 percent), and those who are employed usually have jobs at the lowest occupational levels. One out of every 4 Hispanic families has an income below the low-income level with at least 15 percent subsisting on annual incomes of less than \$4,100.00.

According to the traditional measurement of the adequacy of a household's purchasing power, a household should be able to acquire adequate housing without spending more than 25 percent of their income.

Based on this rule-of-thumb, 80 percent of all Americans should be able to obtain adequate housing; however, over one third

of all Hispanics cannot obtain satisfactory housing with the same quarter of their income. In addition, Hispanics are less likely to own the housing unit they occupy. In 1974, only 42 percent of all year-round housing units occupied by Hispanics were owned by them, compared to 65 percent for the total population.

The substandard rate for housing among Hispanics is between 2 and 3 times higher than the rest of the U.S. population (29.2 percent for Hispanics, as compared to 12.9 percent for the general population). Physical deficiencies, which are twice as common among Hispanics, compared to the general population, include structural deficiencies, lack of heating, poor plumbing and sewerage, and faulty electrical systems.

A unique set of demographic characteristics among Hispanics compounds their housing problems. The most recent data show that Hispanics are more urbanized than the general population – 84 percent live in metropolitan areas compared to 68 percent of the total population. Moreover, 51 percent live in the inner cities compared to the 29 percent for the overall population.

Rural Housing

Data on rural and farmworker Hispanics are sparse; however, it is safe to say that the housing problems among Hispanics are of enormous magnitude. In general, rural housing is worse than that of the Nation as a whole. For example, 22 percent of America's rural population does not live in decent housing, as compared to about one-tenth of the Nation's overall population. The housing problems of rural Hispanics can be judged from a description of the *colonias* (a scattered collection of rural Chicano communities) in the Rio Grande Valley of Texas.

The *Wall Street Journal* describes it as follows:

The dusty paths that serve as its streets are spaced with little shanties of scrap pine and metal, slumping across

foundation stacks of rocks or bricks. Each of these "casitas" has its own shallow privy out back, and the more prosperous homes boast separate wooden huts for showering beneath contraptions using buckets. Families here are grateful to a nearby farmer who lets them drive through his land down to the Resaca del Rancho Viejo, a natural irrigation channel, to fetch water for drinking and bathing. Most haul the water home in discarded 50-gallon pesticide drums.



Aureo Cardon is first chairman of the board of the NHHHC.

This description is by no means atypical of Hispanic rural housing problems, be they in Puerto Rico or the U.S. Southwest.

Similarly, there is a scarcity of data regarding migrant and seasonal farmworker housing. Testimony from a series of hearings sponsored by the Farmworker Housing Coalition (of which National Hispanic Housing Coalition (NHHHC) is a member) revealed that there is a need for 50,000 units of migrant housing in California alone. In the Yakima Valley in the State of Washington, 800 new units of housing are needed to meet the demand caused by increased asparagus production.

Overcrowding is much more severe among Hispanics than among the overall



Phillip Garcia, Director of Hispanic Policy and Programs, in HUD Headquarters, played a major role in organizing NHHHC.

population. Not only are the units occupied by Hispanic dwellers smaller, but also the median number of persons per unit is higher. (See HUD booklet, *How Well Are We Housed*, 1978.)

Development of the National Hispanic Housing Coalition

The National Hispanic Housing Coalition (NHHHC) is a product of the frustration faced by many Hispanics in the field of housing.

For years Hispanic housing professionals have felt that Hispanics are faced with severe housing problems due to the lack of national and local awareness of their housing needs and the consequent failure of Government to adequately address those needs.

The pressing need for a Hispanic housing organization at the national level which could improve the quality of life for the Hispanic community surfaced at the National Housing Conference sponsored by the National Center for Housing Management (NCHM) in 1975. Out of 500 conference participants, only five were Hispanic. The Hispanics present at the Conference (Aureo Cardona, Hector

Pinero, Hugo Newell, Pete Gonzalez and Alberto Alcala) realized that their delegation was too small to exert any influence over policy, legislative issues and proposals affecting Hispanic-Americans.

During the conference the five founders met with Phil Garcia, Director of Hispanic Policy and Programs at HUD Headquarters in Washington, D.C. to express their concern for the lack of Hispanics in housing, and for HUD's failure to assist the Hispanic community. With his assistance the group coalesced, formed the NHHHC and began to develop strategies to sensitize the public and to impact on national housing organizations and the Federal Government.

After many brainstorming sessions between NHHHC and members of national organizations, NHHHC entered into a partnership with NCHM in order to develop a mechanism for increasing Hispanic participation in the housing field.

The next significant step taken by the Coalition was to attend the National



Frank Lujovina is current chairman of the Board of the NHHHC.

Association of Housing and Redevelopment Officials (NAHRO) Annual Conference in 1976. After a series of meetings with NAHRO officials and staff, NHHHC successfully influenced them to establish the National Hispanic Affairs Committee.

Again, the Coalition began a viable partnership with another National Housing Organization.

In the meantime, NHHHC continued its dialogue with HUD and in mid-1976 met with then Secretary of HUD Carla Hills. NHHHC proposed that two (2) issues needed HUD's immediate attention, in order to assist the Hispanic community by developing the following. They were:

- 1) a training program to sensitize non-Hispanic managers to the needs of low- and moderate-income Hispanic residents and
- 2) a career development program to provide upward mobility for Hispanics employed in housing authorities and management firms.

The Secretary agreed to fund such a proposal and asked NHHHC to identify a prospective grantee organization since NHHHC, at that time, was not incorporated. At the Coalition's request, the grant was awarded to the National Center for Housing Management, (NCHM) with the understanding that a 15-member Hispanic advisory group would be created. On that basis, a grant of \$248,000 was awarded to NCHM to meet the objectives outlined by NHHHC.

NHHHC incorporated in the State of New York on March 8, 1977. NHHHC recognized the need to expand into a larger multi-cultural group representing the entire Hispanic community on a national scale. Thus, the 15-Member Advisory Group to the NCHM, and an additional 16 individuals, representing the Puerto Rican, Cuban-American, Mexican-American and other segments of the Spanish population, were asked to join the Board of Directors of NHHHC. The NHHHC Board identified a common purpose and mission: "To improve the quality of life for the national Hispanic community in the area of housing and related social services."

The mission would be accomplished by attaining the following goals:

- identifying and defining the unique housing needs of the Hispanic Community;
- disseminating and providing access to

information on Hispanic housing needs, interests, and concerns;

- developing programs which meet the special concerns of Hispanics;
- developing and articulating policy positions to Federal, State and local governments to meet the housing needs of the Hispanic Community; and, by
- obtaining commitments from national, State and local institutions, responsible for the formulation, implementation, and enforcement of housing legislation, policies and programs.

Following the identification of goals, NHHHC's representatives, Jose S. Garza, Richard Martinez and a few others, met with William Medina, HUD's Assistant Secretary for Administration, and Barbara Chavez Kuban, Medina's Assistant, to solicit support to meet the goals and objectives of the Coalition.

Soon thereafter, NHHHC submitted a proposal for funding. In October, 1978, the proposal was approved and HUD awarded a grant to NHHHC to meet the following objectives:

- Build the capacity at the national level for full participation by Hispanics in legislative, policy and programmatic activities which impact on the housing and community development needs of Hispanic citizens and communities.
- Build capacity at the local level by developing a network of local groups which had been attempting to address housing and community development needs in isolation of each other.
- Support and maintain the capacity building systems that are developed for Hispanics at both the national and State levels through continuing communications and training services and the continued functioning of NHHHC as a self-sustaining organization.

National Conference

The basic philosophy of NHHHC rests in the belief that if Hispanics are to achieve better housing services, they must build their capability, form an in-house

communications network and link up with the relevant resource government agencies and/or organizations. To this end, NHHHC, with the assistance of a Community Services Administration grant, sponsored the first National Hispanic Housing and Community Development Conference in December 1979 in San Antonio Texas. This was the first occasion for Hispanic neighborhood-based organizations from all over the Nation to interact with each other and discuss issues of mutual concern. Conference participants were offered 131 workshops, including two legislative sessions and information on all the major programs which impact, or could impact, on Hispanic housing needs. In addition, models for increasing Hispanic representation at the policymaking level, program design and implementation were offered. Ethnic and cultural differences were minimized as the participating Cubans, Chicanos, Puerto Ricans and non-Hispanic organizations and agencies worked harmoniously for 4 days to achieve an understanding of common goals. The exchange of information and networking methodology, which resulted from the approximately 1,200 participants, was motivational and impressive.

Early Success

NHHHC's success was recognized by many organizations and government agencies at all levels. As a result of that Conference, agencies and organizations approach NHHHC for technical assistance and training on a contractual basis.

Rural Housing among Hispanics

Housing needs of the migrant and seasonal farmworker are often discounted and more often than not, overlooked totally, when housing requirements are discussed for the overall Hispanic population. NHHHC has, under the auspices of the Farmworker Housing Coalition, initiated the first effort to deal with the problem of housing the rural Hispanic. The first step was the sponsorship of a hearing on farmworkers'

housing conditions in Texas. The purpose of the series of hearings was to document the inadequacies in migrant housing, investigate what housing resources were available for migrants, and plan, identify and research the existing obstacles. As a result, NHHHC has been able to begin a program of advocacy for legislation, programmatic improvement and policy needed to overcome the housing problems faced by the migrant farmworker.

A provision of the HUD grant which funds the Coalition required that NHHHC strive for self-sufficiency within a short period of time. To prepare for this difficult transition, NHHHC has begun to participate in revenue-sharing ventures with the private sector.

NHHHC and Mutual Resources Development Corporation (MRDC) have begun negotiations with the City of Tucson, Arizona, Housing Authority, to assist that city in its attempts to develop approximately 700 units of housing allocated to the city by HUD under the conventional Low-Rent Public Housing Program. The proposed program combines private development, ownership and management of the federally-assisted Section 8 family housing, with financing provided by the City of Tucson through the issuance of Section 11(b) tax-exempt construction notes and bonds. If HUD and the City of Tucson grant their approval, NHHHC/MRDC, in cooperation with the city, local realtors and the local NHHHC chapter will begin site identification and acquisition activities. Simultaneously, NHHHC/MRDC would bring together as many local Hispanic workers as possible for the development of the project. Once the sites have been identified, acquired and/or optioned, NHHHC/MRDC will prepare the required Section 8 proposal for HUD, coordinate the financing and construction and begin training for management of the units.

The primary vehicle for NHHHC's training is the Multi-Institutional Collaboration Training Program (MICTP). The MICTP,

which is based upon a unique partnership between the NHHHC and public and private sectors, provides Hispanic community-based organizations with ongoing technical assistance in the fields of Federal housing programs, rehabilitation, mortgage finance, and site development and serves other community and economic development areas. The foundation of this unique partnership is provided by the concept that to be successful in the housing and community development field, there must be collaboration between a multitude of different institutions. More specifically, to be successful community-based organizations must communicate and understand the roles and responsibilities of public, private and national institutions which are involved in housing and community development:

The MITCP program has established an extensive outreach network. The program has been conducted in Miami, Florida; San Antonio, Texas; Anaheim, California; San Jose, California; Chicago, Illinois; Boston, Massachusetts; New York, New York; Newark, New Jersey; Denver, Colorado; Tucson, Arizona; and Taos, New Mexico.

In order to fully cultivate the skills of Hispanic community-based organizations an extensive 6-week specialties program will be given this fall. This specialties program, another valuable component of MITCP, will devote over 240 training hours to many of the same topics which were presented during the Coalition's on-site visits. Washington, D.C., has been selected as the site for this program so that the Coalition can best utilize the Capital's vast array of Federal and National financial resources in the fields of housing and community development.

Mr. Garza is president of the National Hispanic Housing Coalition. Ms. Kogan is editor of the Coalition's newsletter. Ms. Kaplan is a legal intern from Brown University and works at the Coalition.

Serving the Youth: A Special Project

by Maggie Eureste



On February 1, 1978, the Mexican American Unity Council (MAUC) initiated a Youth Conservation and Community Improvement Program (YCCIP) in San Antonio, Texas, as part of a national demonstration program jointly sponsored by HUD and by the U. S. Department of Labor. The program was one of 10 demonstration sites selected in exploring the value, feasibility and effectiveness of using community development corporations to operate youths' employment projects aimed at improving local communities.

YCCIP was a 24-month effort designed to help unemployed school dropouts obtain job skills through visible community improvements in their own neighborhoods. These youths came from the economically depressed and predominantly Mexican-American neighborhoods of San Antonio's west and southwest quadrants. Of a total of 332 youth served for the 2-year period, 26 percent were females.

The project served youths between the ages of 16 and 19 years old, unemployed for 15 weeks, out of school for 6 months, who met low-income guidelines. All applicants lived in MAUC's Special Impact Area (SIA) and were certified by the Texas Employment Commission as meeting the unemployment and income requirements.

On-the-Job Training

Once accepted into the program, the youths chose from plumbing, carpentry, painting, masonry, or landscaping as the skills in which they were to be trained. They earned the minimum wage and worked 40 hours a week under a skilled union supervisor. All of the supervisors were union journeymen and were very instrumental in placing the more promising youths in apprenticeship slots within the local unions.

YCCIP emphasized on-the-job training, including theory classes which described

the tools and basic activities of each trade. The youths were provided counseling services on an individual and group basis. Paid release time was granted, allowing the youths to attend General Equivalency Diploma (GED) classes 4 hours a week. Although the majority of the youths in the YCCIP dropped out of school in the 8th grade and needed improvement in reading and math skills, YCCIP was successful in having 20 youths complete all requirements for their diploma.

Incentive Program

As part of an incentive program, the youngsters received monetary rewards for completion of the GED Program and for good attendance. They were awarded a tool kit of their respective trade at the time of positive termination and/or job placement. For the first time since leaving school, the youngsters were assuming responsibilities and becoming prepared for the real world of work.

... Anna Regino, 17 years old, was the first female carpenter trainee in YCCIP placed in the Painters Apprenticeship Program. Ms. Regino had been referred to YCCIP by MAUC's Family Development Component for training. Her presence in the program enabled her to gain confidence in herself and her capabilities. For the first time since she left school, Ms. Regino felt that she had accomplished something worthwhile and had a good future ahead of her. Now, almost 2 years later, Ms. Regino is still in the apprenticeship program and well on her way toward completing the training.

... Eugene Alfredo, a very capable plumber trainee, was placed with a local plumbing company after completing his training. Since then, Alfredo has completed his requirements for the G.E.D., has been attending a local junior college and



hopes to become a licensed bonded plumber within the next few years. "If it hadn't been for YCCIP, I would never have done it," Alfredo said.

YCCIP worked on 2 types of community improvement projects: public facilities such as schools, housing projects, nonprofit agencies, and privately-owned homes in need of rehabilitation. In order to qualify for project repairs, homeowners had to meet annual income criteria set by the Community Services Administration (CSA). In the case of public facilities, YCCIP supplied labor and tools for each project.

The homeowners and/or public facilities were responsible for providing the necessary materials for work such as paint, lumber and cement. In other

instances, MAUC provided owners with weatherization grants received through CSA and a contract with the City of San Antonio, Texas, Department of Community Affairs.

During the latter part of the grant period, HUD awarded \$100,000 of Innovative Grant monies to MAUC. These funds paid the wages of 20 YCCIP graduates placed in the venture creation of SteveCo. of San Antonio, Inc. SteveCo. worked on projects of a nonprofit nature. For example, SteveCo. contracted for the foundation work for MAUC's Palacio Del Sol, a Section 202 housing for the elderly project. At this project, YCCIP graduates were exposed to masonry, carpentry, and steel work. After successful completion of placement in the construction company, participants had the opportunity to enter the union's apprenticeship programs, to continue employment within the construction company, when possible, or to be placed in the regular job market in unsubsidized employment.

Although MAUC had encountered some difficulties initially, it was able to train youth with marketable skills and give them hope for the future.

Of a total of 332 participants served, there was a 53 percent positive placement rate with 30 youth placed in the unions in either preapprenticeship or apprenticeship programs; others were placed in jobs, and others went back to school or into the military service.

In the community, YCCIP had an impact in the area of neighborhood conservation and development, an area that has long needed revitalization. YCCIP, now the Economic Development through Community Improvement Project, has become an integral part of the community economic development strategy of the Mexican American Unity Council.

Ms. Eureka is Program Director of the YCCIP Project for the Mexican American Unity Council in San Antonio.

Lines and Numbers



Home Sales in the United States, 1973-1979

A total of 3.7 million existing single-family homes and 713,000 new homes were sold in the United States in 1979. This was the second best year for existing home sales. The record high was the 3.9 million year in 1978. Three other years were higher for new home sales, the best being the 819,000 sold in 1977.

New homes sold at an average price of \$62,900 in 1979 compared to \$55,700 for existing homes. The price increase for existing homes in 1979, 14.4 percent, was the largest annual increase ever recorded in this series while the 12.9 percent increase for new homes was the second highest increase recorded.

Existing home sales declined 4 percent from 1978, while new home sales were down nearly 13 percent. Beginning in 1976, existing home sales have topped the 3 million mark each year, aggregating over 14 million unit sales during the four-year period, compared to nearly 3 million in new home sales.

Resale activity declined in all regions of the country except the Northeast which experienced a 2 percent increase while new home sales were down in all regions. The decline in new sales activity was mildest in the Northeast, down 8 percent, and most severe in the North Central, off 21 percent.

Regional comparisons between average resale prices and average new sale prices are quite striking. In the older parts of the country, the Northeast and the North Central, new home prices are significantly higher than resale prices. Since 1973, new home prices have ranged from 12 to 22 percent higher in the Northeast and from 30 to 40 percent higher in the North Central Region. In the South, new home prices have averaged 7 to 12 percent higher than resale prices. In the West, new home prices averaged only 3 to 5 percent higher than resales in the 1973-1976 period. However, existing homes sold for 7 to 11 percent higher from 1977 to 1979. Thus, sellers of existing homes in the South and West have profited the most by the effects of double digit inflation.

Existing Homes Sales, 1973-1979, by Region

(In thousands)

Year	United States	North		South	West
		Northeast	Central		
1973	2,334	367	674	847	446
1974	2,272	354	645	839	434
1975	2,452	377	685	899	491
1976	3,002	458	843	1,110	591
1977	3,547	480	1,110	1,254	703
1978	3,863	494	1,132	1,495	741
1979	3,701	504	1,050	1,427	720

New Homes Sales, 1973-1979, by Region

(In thousands)

Year	United States	North		South	West
		Northeast	Central		
1973	634	95	120	257	161
1974	519	69	103	207	139
1975	549	71	106	222	150
1976	646	72	128	247	199
1977	819	86	162	317	255
1978	817	78	145	331	262
1979	713	72	115	304	222

Median Sales Price of Existing Homes, 1973-1979, by Region

Year	United States	North		South	West
		Northeast	Central		
1973	\$28,900	\$32,800	\$25,300	\$29,000	\$31,000
1974	32,000	35,800	27,700	32,300	34,800
1975	35,300	39,300	30,100	34,800	39,600
1976	38,100	41,800	32,900	36,500	46,100
1977	42,900	44,400	36,700	39,800	57,300
1978	48,700	47,900	42,200	45,100	66,700
1979	55,700	53,600	47,800	51,300	77,400

Median Sales Price of New Homes, 1973-1979, by Region

Year	United States	North		South	West
		Northeast	Central		
1973	\$32,500	\$37,100	\$32,900	\$30,900	\$32,400
1974	35,900	40,100	36,100	34,500	35,800
1975	39,300	44,000	39,600	37,300	40,600
1976	44,200	47,300	44,800	40,500	47,200
1977	48,800	51,600	51,500	44,100	53,500
1978	55,700	58,100	59,200	50,300	61,300
1979	62,900	65,600	63,800	57,300	69,600

Sources: The data on Existing Home Sales and the Median Sales Price of Existing Homes are from the "Existing Home Sales Annual Report," 1979, prepared by the Economics and Research Division, NATIONAL ASSOCIATION OF REALTORS®. Data on New Homes Sales and Median Sales Price of New Homes are from the Bureau of the Census and the U.S. Department of Housing and Urban Development.

Prepared by Robert E. Ryan, HUD Office of Organization and Management Information, Wash., D.C.

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